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Financing of the United Nations Integrated Mission in Timor-Leste

Budget performance of the United Nations Integrated Mission in Timor-Leste for the period from 1 July 2012 to 30 June 2013

Report of the Advisory Committee on Administrative and Budgetary Questions

Revised apportionment	$101,604,900
Expenditure	$101,603,400

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I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the budget performance of the United Nations Integrated Mission in Timor-Leste (UNMIT) for the period from 1 July 2012 to 30 June 2013 (A/68/607). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with responses received in writing on 19 February 2014.

2. The Security Council, by its resolution 1704 (2006), established the mandate for UNMIT, which was extended in its subsequent resolutions. The most recent extension of the mandate authorized by the Security Council in its resolution 2037 (2012) ended on 31 December 2012. On 1 January 2013, the Mission commenced its administrative liquidation, which continued until June 2013.

3. The Advisory Committee recalls that, in accordance with General Assembly resolution 67/245 B, the appropriation for the maintenance of the Mission for the period from 1 July 2012 to 30 June 2013 was reduced by an amount of $53,824,100 to $101,604,900, including $89,566,600 for the maintenance of the Mission for the period from 1 July to 31 December 2012 and $12,038,300 for the administrative liquidation of the Mission for the period from 1 January to 30 June 2013. The Committee further recalls that, in the same resolution, the General Assembly decided to defer until its sixty-eighth session action on the unencumbered balance of $3,757,300 in respect of the financial period from 1 July 2011 to 30 June 2012, as well as the other income and adjustments in the amount of $2,069,000, and on the decrease of $168,400 in the estimated staff assessment income in respect of the same period.

II. Budget performance for the period from 1 July 2012 to 30 June 2013

4. Information with respect to the mandate performance of the Mission is provided in paragraphs 7 to 12 of the performance report. The Secretary-General indicates that the total expenditures for the maintenance and liquidation of the Mission for 2012/13 amounted to $101,603,400 gross, compared to the total amount of $101,604,900 gross appropriated under the terms of General Assembly resolution 67/245 B, representing an implementation rate of 100 per cent in terms of gross resource utilization. Detailed information on the budget implementation of the Mission is provided in paragraphs 13 to 24 of the performance report.

5. The Secretary-General provides information on resource performance of the Mission for the period from 1 July 2012 to 30 June 2013 in section III of the report. It contains a summary of financial resources, redeployments across groups of expenditure, monthly expenditure pattern, other income and adjustments, expenditure for contingent-owned equipment and value of non-budgeted contributions.

6. The analysis of variances provided in section IV of the report indicates an increased requirement of resources for the international staff, national staff, United Nations Volunteers and general temporary assistance compared to the corresponding budgeted amounts. The increased requirements are attributed mainly to higher costs

than budgeted for the termination, separation and repatriation of international staff and their dependants and higher termination and separation costs than budgeted, particularly in recording the staff assessment in the case of national staff. Under all other items of expenditure lower levels of requirements are reported compared to the budgeted amounts.

7. According to the human resources incumbency performance provided in the summary of the report, for the period from July 2012 to June 2013 the initial authorized level of international staff was 352, and the average monthly incumbency of international staff was 165. Upon enquiry, the Advisory Committee was informed that during the drawdown period, from 1 July to 31 December 2012, a total of 132 international staff were terminated, 91 were reassigned to other missions and 10 were separated following the completion of their assignment contracts. The Committee was further informed that during the liquidation period, from 1 January to 30 June 2013, a total of 65 international staff were terminated, 37 were reassigned to other missions and 31 were separated following the completion of their assignment contracts.

8. The Secretary-General indicates, in paragraph 49 of his report, that following the drawdown period, the liquidation team executed a six-month liquidation of UNMIT, which was carried out in two phases: execution of the Mission's preliminary assets disposal plan in the first three months, and completion of the remaining administrative part of the liquidation by June 2013.

9. The Committee was informed, upon enquiry, that during the liquidation period the majority of the assets were disposed of through transfers to other offices and peacekeeping missions of the United Nations, donations and sale; some assets that were either unsuitable for sale, or not required by other missions, were destroyed. The Committee was further provided with the details of the disposal of United Nations-owned vehicles and communication and information technology equipment. **The Committee is of the view that in the interest of budgetary transparency and accuracy, more detailed information, including the quantities and values, of non-expendable assets transferred to other offices, peacekeeping missions or reserve of the United Nations, should be reflected in the budget performance reports of the peacekeeping missions. The Committee therefore recommends that the General Assembly request the Secretary-General to reflect such details clearly in the future budget performance reports of the peacekeeping missions.** The Committee further comments on the transfer of non-expendable assets in its report on the overview of the financing of United Nations peacekeeping operations (A/68/782).

III. Financial position of UNMIT as at 30 June 2013

10. The summary of the financial position of the Mission as at 30 June 2013 is provided in section V of the report, and indicates a net shortfall in cash amounting to $1,417,700 resulting from cash assets amounting to $4,975,700 and cash required to cover total liabilities amounting to $6,393,400. As also shown in the summary, total credits due to Member States equal $11,981,900, comprising $5,826,300 for the period ended 30 June 2012 and $6,155,600 for the period ended 30 June 2013. The Secretary-General indicates that the credits due to Member States from the 2011/12 and 2012/13 financial periods cannot be made available to them owing to a net shortfall of cash.

IV. Recommendation

11. The action to be taken by the General Assembly in connection with the financing of UNMIT is indicated in paragraph 69 of document A/68/607. **The Advisory Committee recommends that the General Assembly:**

(a) **Defer a decision on the treatment of the total amount of $5,826,300 in respect of the period from 1 July 2011 to 30 June 2012;**

(b) **Take note of the total amount of $6,155,600, comprising the unencumbered balance of $1,500 with respect to the period from 1 July 2012 to 30 June 2013, and other income for the period ended 30 June 2013 amounting to $6,154,100;**

(c) **In respect of the period from 1 July 2012 to 30 June 2013, defer until the consideration of the final performance report of the Mission a decision on the treatment of the total amount of $6,155,600 indicated in subparagraph (b) above, as well as on the increase of $1,800,400 in the estimated staff assessment income in respect of the same period.**